New York Tribune

First to Last—the Truth: News—Editorials—Advertisements

VOL. LXXXI No. 27,291 (Copyright, 1921, New York Tribune Inc.) FRIDAY, AUGUST 5, 1921 * * * * TWO CENTS In Greater New York | THREE CENTS Within 200 Miles | FOUR CENTS Elsewhere

THE WEATHER

Fair to-day; to-morrow increasing cloudiness, probably followed by showers; moderate southerly winds.

Full Report on Last Page.

Livingston, in Panic, Joins Curran Camp

Kings Chairman Warned by District Aids to Back Fusion Ticket or Lose Leadership of County

Slate Is Ratified In Manhattan

Major, in Seventh Run, This Time for 7th Mayor, Says He Cannot Lose

Elections Commissioner Jacob A. Livingston, the Brooklyn Republican organization leader, threatened by his district leaders with the loss of his leadership, yesterday informed Charles D. Hilles, George A. Glynn, Major Henry H. Curran and other Republican leaders that he would heartily support Curran, Lockwood and Gilroy in the primaries, and that the executive committee of Kings, which will meet to-morrow, will indorse the entire ticket.

The executive committee of the New York County Committee yesterday afternoon, with all the districts represented, adopted the following resolution offered by Elections Commissioner Charles E. Heydt:

"Resolved, That the executive committee of the Republican County Committee of the County of New York does hereby ratify, confirm and approve of the recommendation and designation of Major Henry H. Curran as nominee for Mayor, of Senator Charles C. Lockwood as nominee for Comptroller and of Vincent Gilroy as nominee for President of the Board of Aldermen by the conference composed of delegates from organized bodies opposed to Tammany Hall.

Nominations Recommended

"And we accordingly recommend their nomination to the enrolled Republican voters of New York County at the primary election to be held on September 13, 1921."

Major Henry H. Curran attended the meeting of the committee and made a brief speech. He said that this is the seventh time he has been a candidate for an elective office, and that if elected he will be the seventh Mayor of the greater city. He predicted that he would carry the primaries and would be elected.

The executive committee authorized the issuance of the regular primary call and adjourned until Tuesday at 10 a. m.

Major Curran announced that he would have campaign headquarters in every borough as soon as the primaries were out of the way.

While the New York County Republicans took no official action yesterday on filling the borough and county slates, the leaders spent the day with President Koenig discussing the availability of various aspirants for elective offices.

It is about settled that Miss Helen Varick Boswell will be the candidate for county Register, and that John S. Shea will be the candidate for Sheriff. Mr. Shea served one term as Sheriff about ten years ago.

Friedsam May Head Borough

Ernest F. Eilert, president of the Printers' Association, seems to be the leading candidate for president of the Borough of Manhattan. Colonel Michael Friedsam, the merchant, also is under consideration.

Herman W. Beyer is in the lead for county clerk. The friends of William F. Schneider, the incumbent, are working hard with the Republican leaders for a renomination for Mr. Schneider.

The Republicans are halting over the matter of following the custom adhered to in previous years in indorsing Democratic judges. Judge Morris Koenig, of General Sessions, is to be named to succeed himself, but there is no certainty that Judge Alfred J. Talley and Judge Joseph F. Mulqueen, Democratic incumbents, will be nominated by the Republicans. The Tammany men have thrown out hints that if the Republicans are in an indorsing mood they might indorse Judges La Fetra and Valente, of the City Court, both of whom will be named by Tammany. The Republican leaders say that this is stretching a good principle.

Former Magistrate Emil E. Fuchs is being urged to consider a nomination for District Attorney. Others under consideration for this post are John Kirkland Clark, Henry W. Goddard and Justice John R. Davies.

Brooklyn Prepares Slate

The Brooklyn Republican leaders are nearly ready to announce their borough and county slates. It is understood that George W. Baker, shoe manufacturer and former president of the Rotary Club, will be named for president of the borough. Some of the other so-called sure things are: Sheriff, Peter Seary, president of the 16th Assembly District Republican Club, and former exalted ruler of the Elks; Register, Edward H. Maddox, to succeed himself; county judges, William R. Bayes, to succeed himself; Almeth W. Hoff, former Assemblyman, and Edward H. Wilson, former president of the Young Republican Club. For Supreme Court, Frank S. Gannon, now serving, and District Attorney, Henry E. Lewis.

Freed for Day to Give Skin to Little Daughter

Rebuked for Ill Treating Wife, Prisoner Will Submit to Ordeal for Child's Sake

John Goodish, who is baddish in many respects, has offered to submit to a skin-grafting operation in behalf of his four-year-old daughter, Sophie, who is suffering from burns in Beth Israel Hospital, Newark, and he soon will be released for a day from the Essex County Penitentiary in Caldwell, N. J., to undergo the ordeal.

At the request of physicians attending the child, a court order for his release was issued yesterday, but it was not utilized because at the last moment the physicians decided that the time for the operation had not come. Sophie fell against a stove in her home, 45 Carlton Street, Newark, and the burns, while not serious, threaten to disfigure her unless new skin is grafted on the scars.

Her father is serving time for theft. He has been reprimanded in police court several times for ill-treating his wife.

Swiss Notify Charles To Depart This Month

GENEVA, Aug. 4.—It is announced that the Swiss federal authorities have given former Emperor Charles of Austria until the end of August to leave Swiss territory.

It is reported that Charles intends to take up his residence in Spain, where his cousin, King Alfonso, is said to have placed one of his castles at the disposal of the one-time monarch.

Gunson Freed By Judge Who Excoriates Him

Woman Arrested as Soon as She Ends Testimony Against Police Detective on Trial for Extortion

Rosalsky Shows Anger

'Regret Law Does Not Reach Defendant; Must Instruct Acquittal,' He Tells Jury

John J. Gunson was acquitted yesterday of charges of bribery and extortion brought against him by Rebecca Melyado, known also as "Billie Howard" and by various other names. Gunson formerly was a plainclothes officer on Inspector Dominick Henry's vice squad.

The verdict was returned yesterday by express direction of Judge Rosalsky. The jury did not leave the courtroom. Gunson was acquitted of charges on which he was indicted by the March, 1920, grand jury. After forty-three postponements the case finally went to trial on Tuesday, and only two days were consumed in presenting the testimony.

Judge Rosalsky, in directing the jury to acquit the defendant, said that he made his request reluctantly, but that he was forced to do so by facts. In his opinion, he declared, there was no doubt that the two witnesses, Rebecca Melyado and Rose Gonzales, or "Spanish Rose," had told the truth, but that a legal case had not been presented. The two women must be regarded as accomplices, he said, and no conviction could be found on the testimony of accomplices without corroborative evidence. This evidence, required by law, was not presented, and he directed a verdict of acquittal.

Woman Tells of Protection

"Spanish Rose," who testified in the morning, declared that she had not given money to Gunson, but had received protection along with Billie Howard from the officer. For this reason Judge Rosalsky said that her story could not be regarded as corroborative of Billie Howard's, as she was an accomplice who had assisted, aided and abetted and encouraged the giving of money.

"There is enough fire and smoke in this case for the Police Commissioner to take action," the judge said angrily.

"I cannot conceive of any greater injury through our body politic than to have crooked officials, particularly crooked police. You and I and every other citizen are at the mercy of a crooked cop, and that type of policeman is a menace, but even if that type of policeman comes into a court of justice he comes with the presumption of innocence and the law intended for the protection of the innocent immediately envelopes him, safeguards him and protects every right as though he had come into court as the highest type of our citizenry. But, gentlemen, whatever might be my opinion as to this case, still the law imposes an obligation upon me to determine whether there is a legal case. In my opinion there is not. Much against my will, for I regret that the law does not reach this defendant, I must instruct you to acquit," the judge said.

Judge Rosalsky expressed surprise that Gunson had permitted himself to be tried before him, since he (Judge Rosalsky) already had expressed his opinion of the defendant two years ago during the trial of Sally Cobin and Lillian Cohen. These two girls had been arrested by Gunson and convicted in the magistrate's court, but the conviction was reversed by Judge Rosalsky, and he scored the detective severely at the time.

Another Indictment Remains

Gunson took issue with Judge Rosalsky on a statement he made in connection with this case yesterday. He rose and uttered a few words of contradiction, and the judge glared at him.

"I'll hear nothing more from you," Judge Rosalsky said, and Gunson resumed his place.

Still another indictment remains against Gunson on a charge of perjury brought by Mrs. Lillian Love. Following her arrest she was acquitted. Mrs. Grace Humiston, who represents Mrs. Love, and James W. Osborne, of counsel for Gunson, engaged in a verbal tilt before Judge Rosalsky in discussing this case, and Mrs. Humiston threatened to take civil action against the attorney. The judge finally sent this case to Judge Thomas C. T. Crain's part of General Sessions to be disposed of.

After completing her testimony against Gunson at the morning session of the trial "Spanish Rose" stepped out of the courtroom and was immediately placed under arrest by Detectives McGee and Sheehan, of the 3d Inspection District, on a bench warrant issued by Magistrate Silbermann charging her with having jumped her $1,500 bail bond following a recent arrest.

Caruso Paid Royal Honors In Last Rites

King Grants Permission for Services in Church From Which No Untitled Person Ever Was Buried

Vault Holds His Coffin of Crystal

Widow Will Live on Estate in Italy After She Makes Trip to New York

NAPLES, Italy, Aug. 4 (By The Associated Press).—The funeral of Enrico Caruso took place here to-day. From the Royal Church of San Francesco di Paola the cortège moved through streets lined with troops and vast crowds to the cemetery, where the body was placed in a vault.

Services were held in this famous church by permission of King Victor Emmanuel, who sent a special representative to attend the ceremony. A great choir, composed of hundreds of singers, assisted in the high requiem mass.

The crystal coffin incased in a wooden casket was borne in a hearse drawn by six horses. There were innumerable floral offerings, among them a wreath from the City of New York. All places of business had been closed. Airplanes flew overhead.

So dense were the throngs the troops had difficulty in holding the people back. All windows and balconies were crowded and many of them were draped.

Eulogies were pronounced by the Prefect of Naples in the name of the King and the government, by the director of the Conservatory, and by the representatives of the Mayor and the artists of the city.

Receives Royal Honors

The basilica of the Church of San Francesco di Paola was draped with black and gold tapestries, some of them royal treasures of the former Kingdom of Naples. The body of the great singer lay on a catafalque in the center of the structure, surrounded by hundreds of candles. The catafalque, covered with black velvet and gold, stood in a bower of flowers.

Before the church was opened to the public Mrs. Caruso, having her little daughter, Gloria, by the hand, came to view the body of her husband once again. She placed beside it a large cluster of roses.

Others of the grief-stricken relatives gathered in the basilica and looked for the last time upon the face of the dead, which seemed to be one sleeping peacefully. Giovanni, brother of Enrico, first knelt beside the coffin, then, rising, invoked Caruso to breathe again. Rudolfo, the son, was equally affected. Giovanni, who was very close to his brother and who managed the business affairs of the singer's various estates, has remained with the body almost constantly since the tenor died.

Church Built by Ferdinand

The funeral church, situated in the southern part of the city, near the hotel where the great singer breathed his last, was decided upon as the last scene in the drama of the tenor's life late yesterday.

Caruso's funeral was the first for an untitled person ever held in the church. It was erected by King Ferdinand V in consequence of a vow. It is a replica of the Pantheon of Rome, which faces the royal palace.

Representatives of the government, the municipality and the Prefecture had been appointed to attend the services, and the United States, in which country Caruso rose to his greatest triumphs in the lyric art, had instructed officials to appear at the funeral. Former Premier Nitti came to Naples to pay his last respects from his country place, where he has been spending the summer.

City to Pay Costs

The expenses of the funeral were borne by the municipality of Naples as a last tribute to a noted son.

In the Chamber of Deputies Dr. Capasso, professor of surgery in the University of Naples, paid tribute to the memory of Caruso. He emphasized the loss to lyric art and also to the prestige of Italy abroad, especially in America.

Deputy Marco Rocco joined in the tribute, saying that all mourned the death of the distinguished representative of the Italian nation and good son of the Church.

The Under Secretary of Instruction, Signor Anile, reviewed Caruso's life, praising his patriotism and his generosity toward his compatriots abroad. The President of the Chamber, Signor de Nicola, eulogized the singer in the name of the whole Chamber.

Widow to Live Abroad

Speaking to Deputy Porzio, the executor of the will, Mrs. Caruso expressed the desire to live either in Naples or on the estate Caruso possessed in Tuscany, but said she would first go to New York, accompanied by Giovanni Caruso, to settle her husband's affairs there.

The District Judge of this city, upon request of Mrs. Caruso, has sealed the hotel apartment that was occupied by the tenor. This step was taken to safe-

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"Pussyfoot" Goes to India To Recommend Aridity

Prohibition Crusader Explains He Won't Be an Interloper, for He Was Asked to Go

From The Tribune's European Bureau

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LONDON, Aug. 4.—William E. ("Pussyfoot") Johnson will leave here to-morrow on a lecture tour of India.

"It isn't a case of butting in," Mr. Johnson said in discussing his trip. "British organizations have asked me to go. The Anglo-Indian Temperance Society is arranging my tour."

Mr. Johnson said he would stay three months.

"I'm going to tell India what we did in the United States," he said. "It is for dwellers there to make up their minds whether or not to go dry. Anyhow, when I return here in December I hope to find England dry," was "Pussyfoot's" parting shot.

Caruso's Will Gives Widow Use of Estate

LONDON, Aug. 4.—Enrico Caruso left two wills, according to a Central News dispatch to-day from Rome, quoting the singer's legal advisers. One was made in New York in 1919, and the other was executed at Sorrento this year, according to the dispatch.

By the terms of the latter document, the dispatch said, the usufruct of his estate is left to his widow, who is to care for Caruso's mother, and upon the widow's death the property is to be divided among the children and the brother of the departed tenor.

Another dispatch says that the will executed in 1919 has been declared null and void. Thus, apparently, the will executed at Sorrento stands.

Gangster Shot Dead in Auto On East Side

Frank Lorello Falls From Car With Five Bullets in Body and Assailant Escapes Through Crowds

Climax of Gunman Feud

Scores See Chrystie Street Murder and Scatter as Eel-Like Slayer Darts Past

Frank Lorello, Grand Street gangster, gunman and ex-convict, sat alone in an automobile in front of 109 Chrystie Street at 5:30 o'clock yesterday afternoon, puffing a cigarette and eying the hurrying sidewalk throng with his accustomed complacency. He had been sitting there about five minutes when a small, wizened-faced man began to pick his way through the sidewalk jam toward the automobile.

The little man worked his way slowly and cautiously, and suddenly bobbed up alongside of the automobile, something flashing in his hand. Lorello started at the sight of the man's face and attempted to rise.

A bullet struck Lorello in the chest, but he rose. He leaped from the car to the sidewalk. As he struck the ground his assailant, changing his position but slightly, leveled his revolver again and fired four shots in rapid succession, each shot taking effect. Lorello, with bullets in his throat, chest, arm and heart, fell dead on the sidewalk. The murderer tucked his revolver away in an inside pocket and darted eel-like through the crowd, wriggling and squirming until he had reached a hallway forty feet away. He ran into the hallway and was not seen again.

The murder had been witnessed by scores of pedestrians, and several men and women tried to clutch Lorello's assailant as he ran through the crowd.

Patrolman Miller, of the Clinton Street station, took the body of Lorello to Gouverneur Hospital, where it was said that he had been killed instantly. Detectives were assigned to the case and were soon convinced that Lorello was a victim of a gang feud, probably one of long standing.

Lorello, the police say, has prowled the East Side districts for many years, and since 1906 has been arrested for burglary, assault, violation of the drug law, loitering and various other charges. In 1913 he was sent to Sing Sing to serve two years and nine months on a burglary charge. In 1917 he was arrested for having illicit drugs in his possession, and as late as April of this year he was taken into custody for carrying a revolver.

He is known to have frequented the haunts of Grand Street gangsters of several years back and is said to have been a leader in the gang fights that were once waged with unfailing regularity along the length of Grand Street. The police say he had no visible occupation and that he lived somewhere in Delancey Street.

Fifteen minutes before he was killed he was seen in a bootblack shop at 106 Christie Street, eating a sandwich and drinking a cup of coffee. When he left the shop he headed for the automobile, took a seat and lighted a cigarette. It was after he had seated himself in the machine, the police say, that his assailant caught sight of him and decided that he would settle old scores then and there.

Ford's Paper Enjoins Chicago Police Chief From Interfering

Special Dispatch to The Tribune

CHICAGO, Aug. 4.—Henry Ford's Dearborn Independent, the paper that has been barred from newsstands in various cities, presumably because of its articles attacking the Jews, has gained a respite in Chicago.

Judge Homer, acting on a petition by Perley W. Johnson, distributor of the Independent for Chicago and vicinity, granted a temporary injunction to-day, restraining Chief of Police Fitzmorris from interfering with the sales of the paper.

Children's Tears, a Diplomat, Some Cash, Get Dog on Liner

Joseph Antonelli, his wife, their five children and their pet dog sailed for Naples yesterday on the steamship Argentina, of the Cosulich Line. There probably wouldn't be anything unusual about this if the Antonellis were traveling first cabin, but they were booked for the third and no provisions had been made for the dog.

Tears and the unbending devotion of two children for a flop-eared mongrel, however, finally won out in a battle which involved dock superintendents, pier police, wealthy passengers and dignified representatives of the Italian government. It was all because passenger regulations, freight tariffs and health rules came afoul of the determination of the two little Antonellis.

Georgie, five years old, and Francesca, three, started up the gangplank at the Bush docks, Brooklyn, leading their pet dog just before sailing time yesterday. Antonelli was told that the dog could not go as freight unless crated and covered by a permit. The children insisted that he could. They wouldn't go without him and disappeared.

They turned up later towing A. J. Backman, superintendent of the pier, who yielding to their tears and entreaty, got the animal into a crate. A hurried call to the shipping agents brought an offer to ship the mongrel for half price and a rich passenger furnished the amount.

Everything seemed rosy until they started to carry the crate aboard, when the ship's officer demanded a permit from the Italian consul. By this time 1,000 prospective passengers were interested in the transaction. Mr. Backman rushed around and finally he found the consul on the dock and told the story. The consul came through with the permit. As the Argentina sailed Georgie and Francesca waved a thankful goodby to their benefactor.

Harding Sees World Peace Won by U. S.

Visions End of Conflict in Disarming Meeting, With War Forever Banished by Civilization

America Better Liked Than Ever

Her Policies Approved by All, He Tells Audience in Weeks's Home Town

By Boyden R. Sparkes

LANCASTER N. H., Aug. 4.—President Harding said to-day that he believed the world, sick of conflict, was about to expurgate warfare from the processes of civilization. Speaking from the tonneau of an automobile in the public green in this White Mountain town, the President told the densely packed throng of a vision he had just seen from a nearby mountain top, a vision of the world enduringly at peace.

Full of satisfaction with the recently gained knowledge that Great Britain and other powers have been persuaded that there should be no preliminary talk before the disarmament conference, he spoke with enthusiasm of the potentialities of the approaching conference, which he believes will be far more of a peace conference than that which met at Versailles.

The President's Address

The President said, in part:

"In the olden times, in man's primitive state, the occupants of one section, looking on this beautiful spot with the desire to possess, would simply arm themselves and in their might they would seize it and make it their own. Such was the primitive inheritance of man, and the whole process of civilization has been wrought out of this turmoil and conflict of might. But developing civilization has called man's attention to the fact that it isn't the just or right way to acquire a thing, and so the story of the world is one stage after another of developing warfare until we of this generation have witnessed the most gigantic conflict of all time. This conflict was so gigantic, so costly in treasure and so costly in sacrifice that I believe that we of to-day are standing in a conviction and in a determination that the whole development has been wrong.

"The acquirement through might is contrary to humane justice and we of America and all the world are resolved to-day that warfare ought to come to an end. I am happy to bring you word that your government is doing all it can to bring about a conference of nations and have their spokesmen there and come to an understanding that will remove the causes of war, not a surrender of nationality, not a surrender of our liberties or our right to determine the ways we will pursue, but to remove the reasons for war and put an end to costly armament. I believe we have succeeded. I would like to have a little less, or much less, destruction and more resources for construction in America. I would like to have less of toil to maintain armies and navies and more of play to hearten the American people. I don't believe the best of success comes out of the constant grind. I would like an America where there is some becoming leisure and opportunity for recreation, not for just a few people, but for a fortunate American people in which all may participate.

"I had not thought to speak at length. I have only come for a word of greeting. I didn't want to come into New Hampshire without expressing the pride of the national Administration in your state, as in every state in the Union. I like to bring you word that in some four months of responsibility I have come to a deeper faith in this republic of ours.

Tells of Iconoclast in West.

"I was reminded of the first piece of mail that I received on Mount Prospect. Somebody, somewhere in the West, had written me a long letter thinking that possibly in the leisure of a vacation perhaps I would have to read and ponder. He warned me that the government must make an end to the aristocracy, that it was doomed, and called upon me to behead all those who had more than he or I had.

"Well, I have never believed that to be the object of this great and free Republic. In my office as President I have been coming in contact lately with every sort of representative in American life. There have come to the executive offices the great leaders in finance; there have come to the same offices the influential leaders of labor; there have come the leaders in the various political groups we name by parties, and while some of them brought ideas sometimes that would tend to destroy the government, there is not one in any group who deep in his heart does not want to preserve our America and contribute to its onward march.

"Sometimes you think your government is not alert. Sometimes you

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Anthem of Peace in Paris Predicted by Lloyd George

CARNARVON, Wales, Aug. 4.—Premier Lloyd George, speaking in Welsh before eight thousand persons to-day at the annual eisteddfod, or musical and literary festival, alluded to the forthcoming meeting of the Allied Supreme Council at Paris. In the course of his remarks the Premier said:

"When I return to London shortly I shall be leaving for another eisteddfod, an eisteddfod in Paris, an eisteddfod of the principal nations of the world. I should like to take with me the Archdruid, so that he might cry out: 'Is there peace?'

"The four greatest nations of the world will be represented there—America, France, Italy and Great Britain. There will be four voices, and those four voices will be singing an anthem of peace. I can only hope that their voices will be as harmonious as the voices singing at the Welsh eisteddfod."

Relief Agencies Mobilize Food To Aid Russia

Supplies Now in Baltic Region Will Be Forwarded Pending Arrival of New Shipments From America

Meet Captives at Border

Prisoners Believed to Have Been Released, but No Official News Is Received

From The Tribune's European Bureau

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LONDON, Aug. 4.—Events are moving rapidly toward the relief of Russian famine sufferers. Walter L. Brown, European director of the American Relief Administration, who will leave London for Riga to-morrow, said the administration was assuming that the Soviets had met the conditions that all American prisoners must be released and that it was known some already had been set free.

Relief supplies now in the Baltic regions will be concentrated at Riga and sent into Russia, pending the arrival of fresh shipments from the United States. The fresh cargoes will consist of flour, sugar, tinned milk, cocoa, rice, beans and fats. The Irish labor conference, which is meeting in Dublin, also has suggested dispatching a food ship to Russia.

RIGA, Aug. 4 (By The Associated Press).—A detachment of the American Red Cross left here to-day for the Russian frontier station of Rejitska, equipped to care for the outcoming American prisoners, although no official advices have yet been received as to when the prisoners will arrive at that point.

The Lettish government also is preparing to assist the American prisoners and has arranged to place commodious quarters at the disposal of American Relief Administration officials for their conference with the Soviet representatives regarding conditions of American relief in the Russian famine districts.

Exchanges Calls With Germans

The American Commissioner in the Baltic States, Captain Evan E. Young, has opened diplomatic relations with the German Chargé here. Calls were exchanged yesterday.

M. Rykov, vice-president of the Soviet Council of Labor and Defense, has arrived here on his way to Germany for a brief vacation. Accompanying him are M. Miliutin, Commissar of Agriculture, and M. Leshava, Under Secretary of Foreign Trade. While here the three Soviet officials will meet M. Krestinsky and M. Tsurupoff, the Bolshevik commissars of Finance and Food, respectively, and confer with them on questions related to American relief.

Krestinsky and Tsurupoff will return to Moscow later with Adolph Joffe and M. Ganetsky, the Soviet Minister to Latvia.

The discovery of a counter revolutionary plot at Rostov-on-Don and the arrest of its leaders is announced here. The movement was being led by Major General Uktomsky.

Rumors of great disorders in Russia, owing to the migration of peasants from the famine-stricken regions, are denied in a note issued by M. Tchitcherin, the Bolshevik Foreign Minister, to all countries. In the note M. Tchitcherin gives thanks for offers of aid, and says he will attempt to explain the situation fully and state the exact needs in Russia as far as is possible.

Sensational Reports Denied

M. Tchitcherin declares the European and American press is full of sensational reports of disorders, none of which is true. Although there is a great migration from the famine districts, it is controlled by the government and there have been no important disorders.

The Foreign Minister places at 10,000,000 the number of the inhabitants of the regions to which the crop failure is confined. These regions embrace Astrakhan, Tsaritsin, Saratov, the German Volga Commune, Samara, Simbirsk, the Tartar and Tchuvash territories and some districts of Urfa and Viatka. In these regions, he says, the crops either have been completely destroyed or will yield only from 10 to 12 per cent of normal. To feed the people on

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Car of Race Horses Held In Border Rum Raid

Buffalo Officials Say Whisky Was Found in Shipment Bound to Saratoga Track

BUFFALO, Aug. 4.—Nine valuable race horses en route from Windsor, Ont., to Saratoga, were being held by government officials here to-night, following alleged discovery of wine and whisky in the car in which the horses were being shipped. The horses seized include Slippery Elm, winner of the Civic Handicap of $4,000 at the Devonshire track on Tuesday, and Irish Kiss, another stake performer.

Customs men say that unless the owner of the horses can show that he was in no way connected with the alleged attempt to smuggle contraband into the United States, the horses will be confiscated and sold at auction. The car was consigned to T. A. Smith at Saratoga.

Shipping Board Wins Share in British Trade

Threat of Rate War Brings Consent to Permit Boats to Carry Half of Traffic From Alexandria to U. S.

Full Demands Refused

Vessels May Not Compete in Direct Movements to the United Kingdom

From The Tribune's Washington Bureau

WASHINGTON, Aug. 4.—The United States Shipping Board to-day won an initial victory in its fight to transport in American bottoms part of the crop of Egyptian cotton which soon is to be shipped from Alexandria, Egypt, according to advices received to-day by the board from London.

Attempts by British ship owners to combat efforts on the part of American merchant vessels to carry the cotton resulted, it is understood, in an ultimatum to British shipping interests, in which the United States Shipping Board threatened a rate war unless England consented to give up her monopoly and permit American vessels to compete in the trade. This ultimatum has been the subject of conferences this week in London between representatives of the shipping interests of both countries.

Captain Frank Ferris, the Shipping Board's European representative, cabled through the State Department that the British ship owners felt that the American demands were excessive, but that they agreed to release to the Shipping Board vessels not less than 50 per cent. of the traffic moving direct from Alexandria to the United States.

Insists on Demands

The British ship owners declined, however, to permit American vessels to participate in the direct movement of traffic from the United Kingdom. The Shipping Board replied to Captain Ferris late to-day, insisting that the original demands be adhered to.

Indications are that the point involved, the transportation of 50 per cent. of the cotton crop by way of the British ports for reshipment to this country, will be granted when the subject is discussed further. It was said at the board's offices that the amount of cotton diverted to American bottoms as a result of the conference is 100,000 tons. Captain Ferris's cable said in part:

"At a meeting in London, August 2, the following representatives of the British conference lines were present, in addition to Captain Ferris, representing the United States Shipping Board; Morse Line, Prince Line, Cunard Line and Ellerman Line.

Believed Demands Excessive

"The British lines, especially Morse and Cunard, felt that our demands were excessive. They, however, agreed to release to the United States Shipping Board not less than 50 per cent of the traffic moving direct from Alexandria to the United States, but declined to allow Shipping Board vessels to participate in the direct movement to the United Kingdom.

"However, it was felt that they had misunderstood our proposals on this part, as our desire was only to participate to the extent of not less than 50 per cent from port of transshipment in the United Kingdom and the port of destination in the United States. Our demand with respect to participation in the latter movement is so eminently fair that we are quite certain that even the opposition of the Cunard and Morse lines will be withdrawn when they more fully understand the equity of our demands."

Police Captain's Rule By Rod Ends Bonfires

Parents Apply Switch Kept at Newark Station for Juvenile Offenders

For two months there has not been a bonfire in the Second Police Precinct, Newark. Captain Ebert says that there won't be any so long as two switches which he placed there hang in a prominent position behind the lieutenant's desk.

When Captain Ebert took command of the precinct the chief amusement of boys in the neighborhood was to build bonfires in the street and in vacant lots. Several children had been severely burned and some had died from burns received.

Finding two boys who had built a bonfire, Captain Ebert took them to the police station, summoned their parents and displayed the switches. The boys ought to be punished, he said; if they weren't punished by their parents it would be a police court matter, and that would mean a $10 fine.

The boys' parents agreed that a switch in time saves $10, and each father took a boy across his knee and plied a switch lustily. Captain Ebert, meantime, had turned on all the lights and raised the shades to give the juvenile audience outside a good view of the proceedings. There were two or three more such incidents, and then the boys lost all interest in bonfires.

Mellon Asks 250 Million Expense Cut Or Higher Tax

Tells House Committee Revenue Must Not Fall Below $3,570,000,000; Drastic Changes Urged

$4,550,000,000 Is Needed for Year

Outlines Legislation to Yield $3,990,000,000; Proposes New Levies and Dropping of Others

From The Tribune's Washington Bureau

WASHINGTON, Aug. 4.—Further drastic cuts must be made in government expenditures if there is to be a material reduction in the tax burden of the next fiscal year, Secretary of the Treasury Mellon said to-day in laying before the House Committee on Ways and Means the basis upon which the revenue bill is to be framed. If no cuts are made in expense, he pointed out, the tax burden must be increased. In any event, he said, the internal revenue yield could not safely be allowed to fall below $3,570,000,000, the return under the present tax laws.

After taking into account all proposed reductions in expenditures, the Treasury estimates that the total expenditure for the fiscal year 1922, for which provision must be made out of the current revenues of the government, will be about $4,550,000,000.

"This in itself would mean a substantial reduction in current revenues and expenditures below the fiscal year 1921," Secretary Mellon told the committee. "The total ordinary revenues for 1921 amounted to about $5,625,000,000, or over $1,000,000,000 in excess of the revenues estimated to be necessary for 1922."

The Treasury estimate does not mean, he pointed out, that $4,550,000,000 must be provided by taxation, for it is expected that there will be miscellaneous revenues during the year from salvage and sources other than taxation amounting to about $350,000,000. This would leave $4,200,000,000 to be provided from customs and internal revenues.

$250,000,000 Cut Needed

The additional cuts in expenditures, which must precede the avoidance of any new taxes to supplant some of those to be repealed, must amount to at least $250,000,000, he said.

Mr. Mellon sounded in this connection the further warning that "unless there is an extraordinary new effort to reduce expenditures, the estimates which the Treasury has presented may be regarded as conservative." This is indicated, he said, in the actual expenditures for the first full month of the present fiscal year.

"Ordinary expenditures for July, 1921," the Secretary said, "amounted to about $322,000,000, as against $307,000,000 for July, 1920, while the current deficit for July, 1921, was about $113,000,000, as against $76,000,000 for July, 1920.

"An analysis of the principal items of expenditure for July, 1921, shows that $59,000,000 was on account of the War Department, $56,000,000 on account of the navy and $32,000,000 on account of the Shipping Board. If expenditures are to continue at anything like these rates the estimates will be greatly exceeded.

"Without the assurance of substantial additional reductions in expenditures it would be folly to proceed to reduce revenue merely in the hope of reduced expenditure. Even without change in the law revenue will shrink from natural causes, and will shrink, according to the present outlook, at a faster rate than current expenditures."

Treasury's Proposals

The Secretary presented to the committee the Treasury's proposals for a general revision of the tax laws. The yield from internal revenue and customs under the revisions, if effective January 1, 1922, would be $3,990,000,000. The revision upon which this estimate is based includes:

A new tariff law in effect about December 31, 1921.

The increase of the corporation income tax to 15 per cent and the repeal of the $2,000 exemption.

The repeal of the excess profits tax.

Increased collections of back income and profits taxes.

An increase in the tax on cigarettes and smoking and chewing tobacco.

The repeal of the transportation tax upon freight and passengers, the tax to be reduced one-half January 1, 1922, and entirely repealed January 1, 1923.

Certain of the stamp taxes to be materially increased.

An annual Federal license tax upon motor vehicles, averaging about $10 apiece and to be graded according to power.

The repeal of the tax on ice cream and fountain drinks.

The repeal of miscellaneous taxes levied under Section 904 of the revenue act of 1918 as of January 1, 1922.

A revision of the income tax rates, with the maximum surtax rate reduced to 32 per cent.

Discussing these proposed repeals and new taxes, Secretary Mellon said:

"The estimates of revenue under the revised law assume that a more productive tariff law will be adopted, capable of yielding about $70,000,000 additional revenue for the fiscal year 1922 and $150,000,000 additional for the fiscal year 1923.

"The total net income subject to the higher surtax rates is rapidly dwindling, and funds which would otherwise be invested in productive enterprise are being driven into fields which do not yield taxable income. The total estimated revenue from the surtaxes under existing law is about $500,000,000 for the taxable year 1921. The estimated yield for the year from the sur-